for future crops. The culture of bamboo, in itself a kind of forestry, has been very highly and skilfully developed.

Even from this brief description some of the effects of Chinese agricultural economy upon the life of the nation must be fairly apparent. The lack of machinery, the relatively small utilization of draft animals, and the extensive use of human labor mean that in order to produce for the nation the requisite food and materials for clothing and shelter the great majority of the population must be engaged in agriculture. After the needs of those who till the soil have been met, only a small surplus of farm products remains for exchange with the towns. The predominantly rural character of the nation has made for conservatism, for old social institutions ever persist longest in farming districts. The presence of so large a proportion of peasant proprietors has encouraged sturdy self-reliance and self-respect. It is probably also an insurance against the sort of Communism that is known in Russia and favors a certain kind of democracy.

In spite of all its virtues, the Chinese use of the soil has many and obvious defects, some of which could be remedied by the application of methods and knowledge now available in the Occident. The usual means of borrowing capital is costly in the extreme. Interest rates are high—twenty and thirty and even eighty and one hundred per cent, a year. As a result of the small size of the farms, the average peasant has little capital against lean years or unusual expenses, such as a wedding or a funeral—both often costly. This and the demands of normal farming operations mean that many of the peasants are in debt and burdened by a ruinous weight of

interest. Great areas now periodically flooded could be completely reclaimed by modern methods. For instance, some years ago Western engineers worked out a project for draining hundreds of square miles of fertile land in the valley of the Huai River. The necessary capital could have been obtained from abroad if civil strife had not so seriously threatened the investment. In some regions in North China the driving of deeper wells would provide needed water for semi-arid lands. Less shallow plowing would frequently result in increased yields. As we shall see a little later, roads have been atrocious and land transportation costly—a defect which the automobile and the railway could largely remove and in some places are beginning to remedy. In spite of the im-